

## Commercial

## Advertiser.

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HONOLULU, HAWAII TERRITORY, SATURDAY, NOVEMBER 15, 1902.

PRICE FIVE CENTS.

AS SEEN  
FROM FAR  
ARKANSASA Traveler's Views  
of These Fair  
Islands.EDITOR KENDRICK  
VISITS PARADISEInteresting Review of Conditions  
Here by an Observant Way-  
farer From the East.

Editor Kendrick of the Daily News Record of Fort Smith, Ark., who visited Hawaii during the summer, has published the following impressions of his trip. His article is preceded by this editorial:

"On another page of this paper this morning will be found an article regarding the Hawaiian Islands, giving some facts regarding that wonderful 'Paradise of the Pacific.'

"This country is one about which comparatively little is known by the average American, although by the act of annexation of 1898, it became an integral part of the United States. The time is coming when it will be better known, both as a place for tourists to visit and as a field for investment.

"The Senatorial Commission, of whose work mention is made in the article printed elsewhere, will have a voluminous report to submit when Congress assembles, and certain recommendations to make which Uncle Sam can well afford to heed.

"The people of Hawaii ask for nothing more than that which is their due, and to which they are justly entitled."

Following is the descriptive matter:

Honolulu the beautiful! That is the sentiment that occurs to you as you stand on the deck of the steamship which swings lazily into the calm harbor of the capital of the Hawaiian Islands.

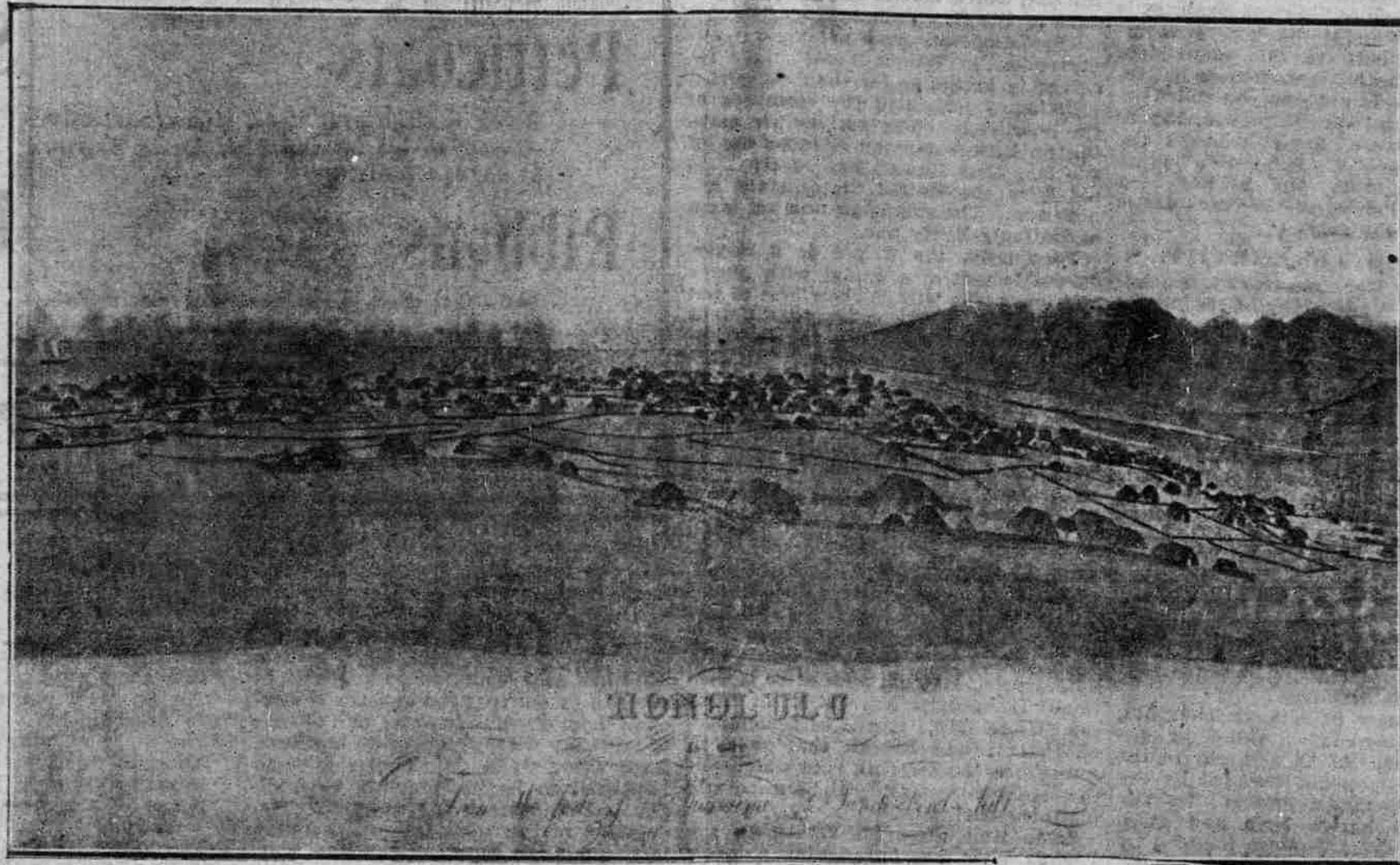
Slowly the Korea, the leviathan of the Pacific Mail Steamship Company's fleet of vessels, edges nearer and nearer the dock. While the vessel is still well out into the harbor a number of young Kanakas, as the native Hawaiians are called, swim gracefully up to the side of the big vessel and call for "money"—using the native word for that commodity. The passengers, one after another, toss silver coins into the water, and instantly the brown bodies disappear beneath the surface of the ocean. Each youngster dives for the same coin, and there is a lively sub-aqueous scramble for the silver. Finally, they all come to the surface, blowing and puffing like a school of young porpoises, the victorious youth holding aloft his prize in great elation.

Then another coin is thrown into the water, the same struggle is repeated, and there is the same sort of a finale. Pretty soon the vessel arrives within a few feet of the dock and there greets your eyes as cosmopolitan a throng as it has ever been your pleasure to witness. Packed like the proverbial sardines in the proverbial box, they stand there, men, women, children and babies—all of them warm, but all of them goodnatured—awaiting the arrival of the Korea. Many of them—without regard to nationality—wear the famous "lei" or wreath of flowers which adorns the Hawaiian and the American and European resident as well, and altogether the assemblage is a gay and gayly-colored one.

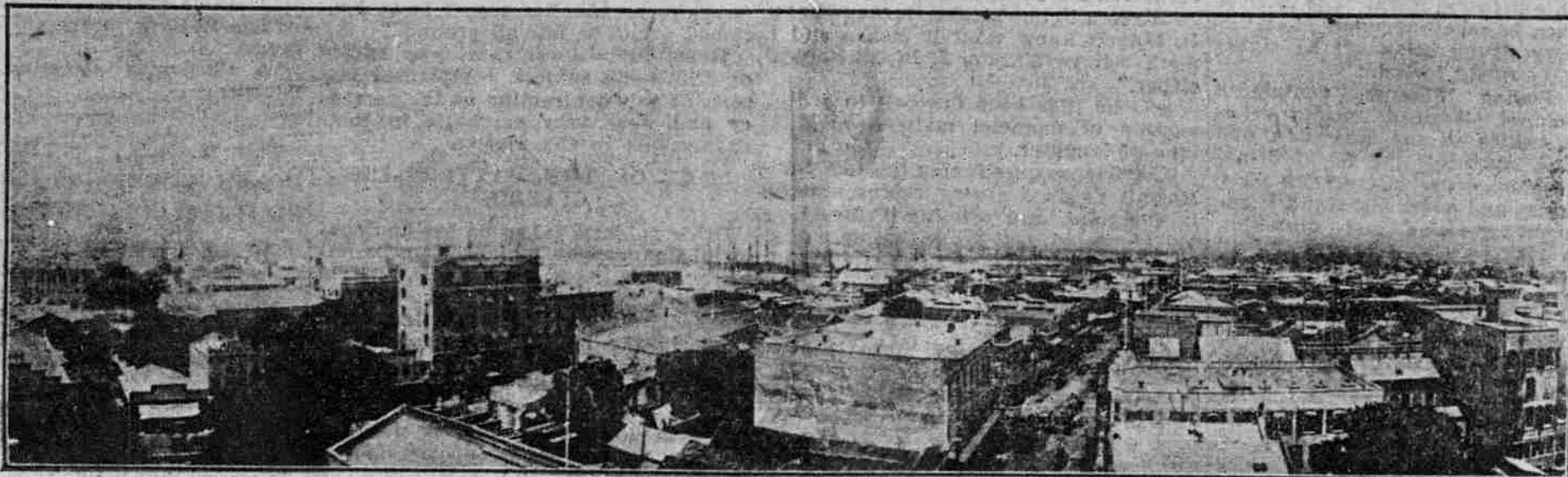
There you see jostling each other, Americans, natives (some full-blood, others of the half-breed type, and still others with only a slight admixture of Caucasian blood), Chinese, Japanese, Samoans, Portuguese, to say nothing of a number of other races. From the standpoint of nationality, it is a motley assemblage, indeed.

The new vessel draws too much water for the depth of the harbor and she gets well into the mud before coming within anchorage distance of the dock. Captain Seabury, the portly commander, is visibly annoyed, but while there is no odor of sanctity in his immediate vicinity, neither is there any odor of sulphurous profanity thereabouts—and he keeps his temper remarkably well. Inch by inch, the big craft works her way near the dock, the gang-planks are thrown down and the people on the docks and the people on

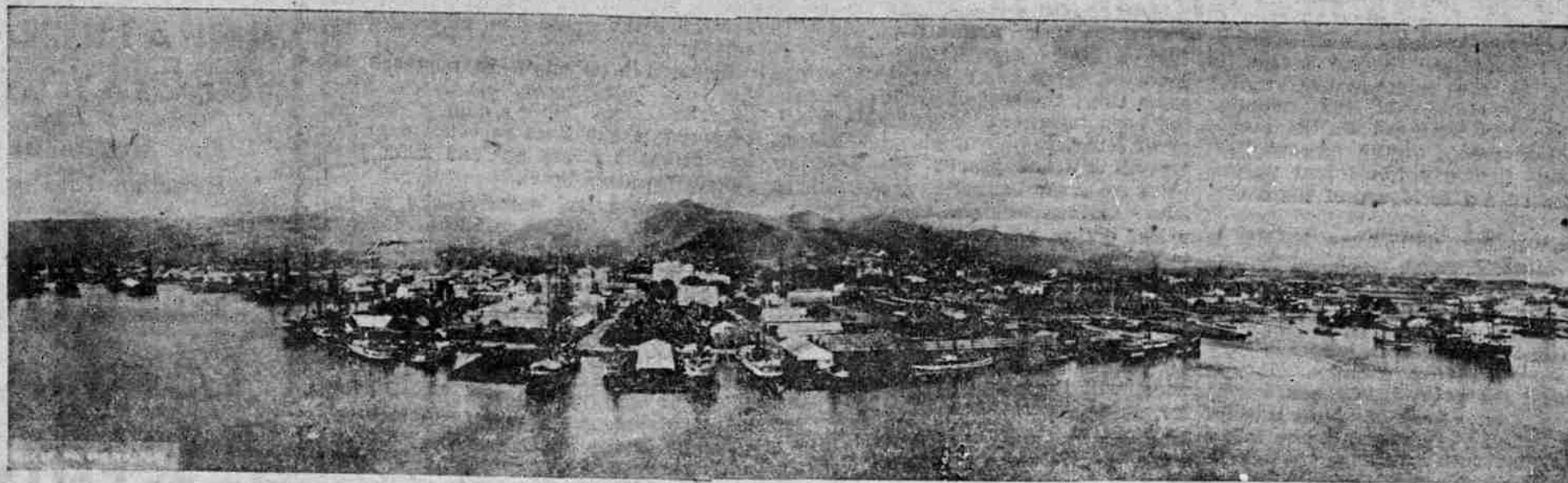
## PICTURES OF HONOLULU AS THE PLACE LOOKED SIXTY-FIVE YEARS AGO AND AS IT APPEARS AT THE PRESENT DAY



The above illustration is taken from a painting made in 1837 of Honolulu as seen from Punchbowl hill.



Part of the Business Section of Honolulu.



Honolulu From the Sea.

the decks melt into one assemblage on terra firma.

Honolulu at last! Volumes upon volumes have been written upon this city and the Hawaiian Islands in general, and still the subject has by no means been exhausted. The subject of these Islands is at present one of some moment, because they constitute the first of Uncle Sam's outside possessions, having been annexed in 1898. A study of the existing political, social, and business conditions in the Islands is therefore of considerable interest.

In an article of this scope, it is not possible to give anything like an exhaustive review of the different branches of the subject, and the writer must content himself with touch in a somewhat cursory manner on the different phases of the matter.

## THE CITY OF HONOLULU.

As to Honolulu itself, it is a city of about 40,000 people. About 25 per cent of them are whites, and the balance native Kanakas, Japanese or Chinese. There is also quite a sprinkling of Portuguese and other representatives of the Latin races. The city is beautifully located. It nestles in an amphitheatre of the mountains, with a glassy harbor in front, on the south side of the eastern end of Oahu. The famous Punchbowl mountain, an extinct volcano, stands up in the middle front of the city. From its rim the city of Honolulu may be taken in with a sweeping birds-eye view. It is a beautiful sight that spreads out before the tourist who has reached the Punchbowl summit—the city with its expanse of tropical foliage, embowered homes, parks, public buildings, churches, schools and handsome commercial structures—and in the distance the glistening blue waters of the boundless Pacific. Moun-

(Continued on Page 3).

WILL JOIN KAUAIANS IN  
CELEBRATING THE VICTORYPrince Kuhio and a Party of Friends Go to  
Lihue for the Grand Luau This  
Evening.

Prince Kuhio, accompanied by a half dozen personal friends and the quartet club which sang Republican songs during the campaign just closed, left for Lihue, Kauai, last evening in a special steamer. They will return early Sunday morning and will at once proceed to Pearl Harbor where the Prince will sail his yacht Princess in the races on that day.

Prince Kuhio said that he was glad that he could have the opportunity to meet the Republicans on the occasion of the first celebration of the victory. He said that he would not talk politics but would devote himself to discussing the future of the Territory without regard to party, for he believed the people would see the good which is to come from their adherence to Republicanism in the past campaign.

There has been much discussion raised by the publication of the list of

the men who are seeking office under the administration. There are developing any number of candidates for the various places, and before the senators arrive there will be a longer list for submission to their first caucus. It is expected that the Hawaii men will arrive in the steamer today and the Maui senators tomorrow, when the upper house members from Kauai are thought to be coming.

Caucuses will commence as soon as there are any of the members in the city, but the first of the formal gatherings of the senators will be held on Monday evening at the headquarters of the Republican committee. At that time it is thought there will be laid out a general course of action, though nothing final will be decided until the meetings later in the week.

The arrangements for the celebration of the victory of the Republicans are being pushed along, and it is now thought likely that the affair, whatever

its form, will be held on Saturday of next week.

## Session of the Grand Jury.

The grand jury will probably make a report on Monday or Tuesday to Judge De Bolt. Their labors have been practically completed and Judge De Bolt stated yesterday that a report would be made early next week.

Yesterday was given over to the investigation of the causes leading to the escape of Treasurer Wright. Among the witnesses who testified were John Cook, the hack driver, who drove Wright to the Alameda, Becky Panee, who claims she saw Wright in Magoon's office, J. S. Spitzer the clothier said to have sold a suit case to the defaulter and J. A. Magoon himself. Governor Dole was also a witness before the grand jury yesterday.

It was rumored about the city last evening that the grand jury had voted "no bill" in the Boyd case, but the report could not be traced and the grand jury certainly did not make the fact public.

## Runners Are Matched.

A match was concluded yesterday between T. Hollinger, who named his runner Aggravation and C. Thomas, who enters Racine Murphy, for \$250 a side to come off on December 4th at Kapiolani park. The race will be at six furlongs and should be one of the best of the between seasons races.

DENIES  
INCOME  
LIABILITYSugar Corpora-  
tion Claims a  
Loss.A DEPRECIATION  
IN PROPERTYHawaiian Commercial and Sugar  
Co. Appeal From Tax on  
\$300,000 Income.

The Hawaiian Commercial and Sugar Company yesterday filed an appeal with Collector J. W. Pratt from an assessment on an income of \$300,728.76. The sugar company, in its appeal, claims to be not liable to income tax at all, and while admitting that the profits for the year were approximately the figures given by Pratt, they write off the income by showing a depreciation in value of more than the amount upon which they are assessed.

The hearing upon the appeal is set down before the tax appeal court for next Wednesday. Though the tax court closed its sessions over a week ago, the Hawaiian Commercial Company's case was left open for stipulation between the counsel on both sides. In order that advice might be received from San Francisco regarding the carrying through of the appeal. There was some prospect of settlement, but this fell through and the case, which involves several important points, will probably not end this side of the supreme court.

Though the appeal involves the amount of over \$6,000 in taxes, the case is of considerable more importance than even the mere amount of income tax. If the Hawaiian Commercial Company wins the appeal, it will mean the loss to the Territory in the future of the bulk of the revenue derived from the income tax, for the appeal strikes at the very root of the law.

The proposition upon which the appeal is taken is simple enough, though it does involve interests of great magnitude. Admitting the correctness of the estimates of Collector Pratt that the gain of the corporation during the year was \$300,728.76, the company contends that there was in reality a loss, in that there should be written off the income the sum of about \$309,000, being the depreciation in the property owned by the corporation. This loss is accounted for by the abandonment on the part of the company of the old mill, which has been replaced during the year by new and modern machinery. A depreciation is shown also in the railroad and other buildings and to like causes.

The amount of loss is not claimed to be the value of the new improvements, but of the depreciation in the old mill buildings and railroad which became valueless by reason of these improvements.

The amounts of such depreciation are set out specifically as follows:

Mill and building ..... \$150,749.52

Other buildings ..... 40,280.04

Railroad ..... 109,695.23

The claim of the Hawaiian Commercial is that the depreciation shown above should be deducted from the income, inasmuch as there is that much loss by reason of the abandonment. Collector Pratt, on the other hand, claims that profit is income, and that the law specifically provides that there should be no deduction for improvements, or on loss on buildings. He holds that there can be no deduction from the income by reason of any depreciation, and the legal fight before the tax court next week promises to be a very interesting one.

This will be the only appeal to be considered at this late date, the matter having been left open only by agreement, there having been no final adjournment of the tax court.